

EXHIBIT V

1 UNITED STATES DISTRICT COURT
2 CENTRAL DISTRICT OF CALIFORNIA
3
4 THE WIMBLEDON FUND, SPC (CLASS)
TT),)
5)
6 PLAINTIFFS,)
7 VS.) CASE NO.
8) 2:15-CV-6633-CAS-ASJWx
9 GRAYBOX LLC; INTEGRATED)
ADMINISTRATION; EUGENE SCHER, AS)
10 TRUSTEE OF BERGSTEIN TRUST; AND)
CASCADE TECHNOLOGIES CORP.,)
11 DEFENDANTS.)
_____)

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16 VIDEOTAPED DEPOSITION OF KIARASH JAM, taken on
17 behalf of the Plaintiff, at 10100 Santa Monica Boulevard,
18 13th Floor, Los Angeles, California, commencing at
19 9:49 a.m., Wednesday, March 27, 2019, before Sandra
20 Mitchell, C.S.R. 12553, pursuant to Notice.

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10:26:05 1 Q Did you ever meet him?

2 A I don't recall meeting Robert Pressler, no.

3 Q Looking to the endorsement where Mr. Pressler
4 signed, it was for RPP Enterprises.

10:26:13 5 Are you familiar with that company?

6 A No.

7 Q Going to the next page, we see a check for
8 \$12,000 to Graybox; correct?

9 A Yes.

10:26:25 10 Q Why was this check issued?

11 A I don't --

12 MR. WIECHERT: Calls for speculation. No
13 foundation.

14 THE WITNESS: I don't know. I was not in
10:26:33 15 control of this account. I had nothing to do with this
16 account.

17 BY MR. WALKER:

18 Q Going to the next page, we see a check 1052
19 dated December 18, 2013, in the amount of \$10,000 paid
10:26:46 20 to Integrated Administration; correct?

21 A Yes, that's what it is.

22 Q Why was this check issued?

23 A I don't know why it was issued, but David would
24 arrange funding for IA from multiple sources, and this
10:26:59 25 was a check to Integrated Administration. I don't why

10:27:03 1 he issued it.

2 Q Was -- did Integrated Administration issue an
3 invoice for -- requiring this payment?

4 A I would issue to David -- I would let David
10:27:11 5 know on a regular basis what our cash needs were with
6 the breakdown of this much is for payroll; this much is
7 rent; this much is the phone bill; this much is
8 Internet; and this is the money we need. And he would
9 arrange the funding.

10:27:23 10 Q So he would fund it on a cost basis?

11 A I don't know what that means.

12 MR. WIECHERT: I don't know what that means
13 either.

14 BY MR. WALKER:

10:27:30 15 Q Turning to the next page, there's another check
16 to Integrated Administration for \$12,000; correct?

17 A Yes. That's correct.

18 Q What was the purpose of this check?

19 A Same as the other check. I don't know. As I
10:27:41 20 said, David was -- he would fund Integrated
21 Administration. And I don't know what this was for at
22 the time, but...

23 Q Now, once the two checks to Integrated totaling
24 \$22,000 had been issued and deposited in the Integrated
10:27:56 25 Administration account, you had access to those funds;

10:27:58 1 correct?

2 A Correct. I was the signer on the Integrated
3 Administration's account.

4 Q Now, looking at the last page of this
10:28:07 5 Exhibit 8. Is that your endorsement, your signature?

6 A No.

7 Q Is that, in fact, David Bergstein's signature?

8 A It looks like it. It looks like a sloppy
9 version of his signature.

10:28:21 10 Q And you're certainly familiar with
11 Mr. Bergstein's signature?

12 A Yes, that is correct.

13 Q You've seen it many, many times?

14 A Yes, I have.

10:28:26 15 Q So Mr. Bergstein also had access to the
16 Integrated Administration bank account?

17 A No. The only signers were myself and Majid.

18 Q Let me hand you what's been marked as
19 Exhibit 9, sir.

10:28:48 20 (Exhibit 9 was marked for
21 identification by the Court Reporter
22 and is attached hereto.)

23 THE WITNESS: Okay.

24 BY MR. WALKER:

10:28:59 25 Q Have you had an opportunity to review it?

11:59:47 1 A Yes, sir.

2 Q And it references "Swartz IP Services Texas
3 taxes."

4 Did I read that correctly?

11:59:53 5 A Yes, sir.

6 Q So she's forwarding information to Mr. Woodward
7 and asking that he file the return ASAP; correct?

8 A Yes.

9 Q And then there's another e-mail above that from
12:00:05 10 Ms. Biedak to Mr. Woodward that copies you and
11 Mr. Bergstein and Steve Piscula; correct?

12 A Yes, sir.

13 Q And this is on January 19, 2012; correct?

14 A Yes.

12:00:18 15 Q And she says, "Hi, Scott. We are going through
16 our filings for the new year. You were able to help us
17 out with the franchise filing for Swartz IP in Texas
18 last November. According to the records, the company is
19 in good standing through May 15, 2012."

12:00:31 20 Did I read that correctly?

21 A That's what it says.

22 Q And looking at the last page of Exhibit 17, we
23 see a printout from a website operated by the Texas
24 government -- state government that shows that, under

12:00:46 25 status, Swartz IP is in good standing, not for

12:00:48 1 dissolution or withdrawal through May 15, 2012; correct?

2 A Yes, sir.

3 Q And then at the top Mr. Woodward responds to
4 Ms. Biedak with a copy to you, Mr. Bergstein and

12:01:01 5 Mr. Piscula, and says, "Happy New Year. Please provide
6 me with the 2011 reports."

7 And the first one he requests is the
8 December 31, 2011, balance sheet; correct?

9 A That's what it says.

12:01:14 10 Q The next on was the January 1, 2011, to
11 December 31, 2011, general ledger; correct?

12 A That's what it says.

13 Q The next one was the January 1, 2011, to
14 December 31, 2011, profit and loss statement; correct?

12:01:28 15 A Yes, sir.

16 Q Okay. Did you ever see the 2000 -- the
17 December 31, 2011, balance sheet?

18 A No, I don't think so.

19 Q For Swartz IP?

12:01:38 20 A No. I was not in control of the bank accounts.
21 I don't -- I don't know anything about those.

22 Q Yes, sir. But regardless of whether you were a
23 signatory on the banks accounts, did you ever actually
24 see a balance sheet prepared for Swartz IP for that

12:01:50 25 particular year?

12:01:51 1 A I don't recall.

2 Q Did you ever actually see a general ledger for
3 Swartz IP for the 2011 year?

4 A I don't recall.

12:01:58 5 Q Did you ever actually see a profit and loss
6 statement for Swartz IP for the 2011 calendar year?

7 A I don't recall.

8 Q Did you ever ask to see them?

9 A No.

12:02:11 10 Q He goes on to state, "I would need to file the
11 federal corporate income tax return and the related
12 Texas franchise tax return."

13 Did I read that correctly?

14 A Yes, sir.

12:02:21 15 Q Did you ever actually see a corporate federal
16 income tax return filed on behalf of Swartz IP?

17 A I don't recall if I did.

18 Q Did you ever execute the -- a federal corporate
19 income tax return on behalf of Swartz IP?

12:02:34 20 A I don't think so. I don't recall if I did.

21 Q Did you ever see a Texas franchise tax return
22 prepared and filed on behalf of Swartz IP?

23 A I don't think so. I don't recall if I did.

24 Q Did you ever ask to see the tax return filed
12:02:45 25 with the federal government or the Texas state

12:02:48 1 government for Swartz IP at any time?

2 A No.

3 Q Why don't we take a break for lunch. Maybe an
4 hour.

12:02:58 5 MR. WIECHERT: Sure.

6 THE VIDEOGRAPHER: We are going off the record
7 at 12:00 p.m.

8 (A recess was taken.)

9 THE VIDEOGRAPHER: And we are back on the
13:12:12 10 record at 1:10 p.m.

11 (Exhibit 18 was marked for
12 identification by the Court Reporter
13 and is attached hereto.)

14 BY MR. WALKER:

13:12:15 15 Q Mr. Jam, sir, I've handed you Plaintiff's
16 Exhibit 18. Have you seen is this document before?

17 A Yes, I have.

18 Q And what do you understand this document to
19 represent?

13:12:27 20 A A letter of intent to buy property.

21 Q Was this beachfront property?

22 A I don't know.

23 Q How are you familiar with it?

24 A David sent it to me at some point, and I think
13:12:39 25 I signed it. I don't recall specifically, but I've seen

13:12:43 1 this before.

2 MR. WIECHERT: And I'm sorry, Counsel. Did you
3 say beachfront --

4 MR. WALKER: Uh-huh.

13:12:50 5 MR. WIECHERT: -- earlier?

6 It's -- I don't think Hollywood has any
7 beachfront property.

8 BY MR. WALKER:

9 Q Where is this property located?

13:12:59 10 A I don't know. It says 1377 North Serrano
11 Avenue, L.A., California 90027. I don't know where that
12 is. I can look it up.

13 Q No, it's okay.

14 Why would Swartz IP be making an offer to buy
13:13:16 15 this \$13 million piece of property?

16 A I do not know.

17 Q What was the business that Swartz IP was in?

18 A I don't know what David was doing with the
19 company. I was involved in very little of what it did.
13:13:28 20 But I don't know what David was doing. He was one who
21 negotiated and dealt with everything that the company
22 was doing.

23 Q Right. And, of course, we've seen that you
24 executed legal documents as vice president of the
13:13:39 25 company.

13:13:39 1 MR. WIECHERT: That's asked and answered.

2 BY MR. WALKER:

3 Q My -- my question is, what did you understand
4 the nature of Swartz IP's business to be?

13:13:47 5 A At that time, it was just one of the investment
6 vehicles that, I guess, David was using for a series of
7 businesses. I don't know specifically.

8 Q In Paragraph 2, escrow and closing, do you know
9 what the source of the \$390,000 escrow deposit was going
13:14:06 10 to be?

11 A No, I do not.

12 Q After you signed this contract, a letter of
13 intent on behalf of Swartz IP Services, Inc. --

14 A I think I signed it. I'm not certain, but I
13:14:20 15 think I signed it.

16 Q Okay.

17 MR. WIECHERT: Assumes facts not in evidence.

18 BY MR. WALKER:

19 Q And we see there on the signature line for
13:14:24 20 Swartz IP, certainly your name is located there;
21 correct?

22 A That is correct.

23 Q Okay. So if this contract was signed, was this
24 property actually closed on?

13:14:34 25 A Not to my knowledge.

13:32:43 1 Q Turning to Page 1218.

2 A Okay.

3 Q What is this document?

4 A This is a bank statement for a Pineboard

13:32:52 5 Holdings account at Wells Fargo dated -- where's the
6 date -- March 1st, 2012.

7 Q Well, I guess it's the statement for March 1st
8 through March 31, 2012; correct?

9 A That's correct. You're correct, yes.

13:33:11 10 Q Okay. And it shows that, I guess, this
11 reflects that you had access to the Pineboard Holdings
12 bank account?

13 A Yes, I did.

14 Q Okay. And you were receiving the bank
13:33:21 15 statements at the Irvine, California, address?

16 A Yes. They would go to Majid.

17 Q And this shows that Pineboard, at that time,
18 had a beginning balance of \$645?

19 A As of 3/1, yes.

13:33:36 20 Q And then Swartz IP money came in totaling
21 \$50,000?

22 A Yes, sir.

23 Q And then \$45,027 went out all in the same month
24 that the 50,000 came in?

13:33:49 25 A Yes, sir.

13:33:49 1 Q Leaving a balance of \$3704.67?

2 A Well, the balance was 5618; right? The average
3 balance is the one you said.

4 Q I'm sorry. I stand corrected. Thank you.

13:34:03 5 A No problem.

6 Q Going to the next page.

7 A Yes, sir.

8 Q We see on March 22nd there was a wire transfer
9 from Swartz IP's account in the amount of \$50,000;
13:34:13 10 correct?

11 A Yes, sir.

12 Q And then the very next day, check 1001 is
13 issued for \$45,000; correct?

14 A Yes, sir.

13:34:29 15 Q Who did that check go to?

16 A I have no idea.

17 Q Who wrote the check?

18 A I have no idea. I don't recall that.

19 Q Do you recall asking Mr. Bergstein about that?

13:34:45 20 A I do not recall, no.

21 Q Is it possible you didn't ask at all?

22 MR. WIECHERT: Objection. Calls for
23 speculation.

24 THE WITNESS: I would -- as I've said already,
13:34:56 25 he controlled the companies and the money flow. He

13:34:59 1 probably said, Hey, wires coming in for 50,000. I need
2 you to write a check for this amount to those people and
3 I did. And I kept -- I would ask for backup so I could
4 have backup for it for the accounting files.

13:35:09 5 BY MR. WALKER:

6 Q Thank you. Let me hand you what's been marked
7 a Exhibit 23.

8 A Thank you.

9 (Exhibit 23 was marked for
13:35:15 10 identification by the Court Reporter
11 and is attached hereto.)

12 BY MR. WALKER:

13 Q Let me know when you've completed your review
14 of this document.

13:35:27 15 A One second, please.

16 Q Of course. Take your time.

17 A Okay.

18 Q All right. Okay. I think this e-mail thread
19 actually goes from top to bottom.

13:36:14 20 A Okay.

21 Q So we start with an e-mail from Mr. Zarrinkelk
22 to Ms. Biedak, to David Bergstein, and to you on
23 April 19, 2012, at 11:55 a.m.; correct?

24 A Yes, sir.

13:36:25 25 Q And a courtesy copy was sent to Steve Piscula?

13:54:12 1 \$440,000?

2 A According to this document, yes.

3 Q Let me hand you, sir, what's been marked as
4 Exhibit 26.

13:54:19 5 (Exhibit 26 was marked for
6 identification by the Court Reporter
7 and is attached hereto.)

8 BY MR. WALKER:

9 Q This is an e-mail from Frymi Biedak to you
13:54:32 10 dated April 27, 2012; correct?

11 A Yes, sir.

12 Q And the subject is wire transfer out of
13 Integrated Administration; correct?

14 A Yes, sir.

13:54:40 15 Q And she says, "Per David's request, a wire
16 needs to be sent to Phoenix Life Insurance in the amount
17 of \$12,000"; correct?

18 A Yes, sir.

19 Q Why was that being done out of Integrated
13:54:51 20 Administration?

21 A I don't know.

22 Q Who was the insured life?

23 A I think what David was -- one of the things
24 David was doing around this time was there was a

13:55:02 25 business they had where they were buying life insurance

13:55:05 1 policies at a discount, or something to do with that
2 where they were buying life insurance policies for
3 people that, I guess, weren't paying for them anymore or
4 something like that. So there were multiple payments
13:55:14 5 that went out to various life insurance policies.

6 Q Who were the insureds?

7 A I don't know. I was not dealing with it.

8 Q Who were the beneficiaries?

9 A I don't know. I wasn't dealing with it.

13:55:25 10 Q They were just being paid out of your company?

11 A Yes. He would fund the company and direct the
12 funds.

13 Q How do you know that he funded the money
14 necessary to pay that premium?

13:55:33 15 A He was in full control of what was getting paid
16 and what money was coming in. He would direct me as to
17 what to do with the money that he was funding.

18 Q Did you have nothing to say about it?

19 A I would try. I would beg and scream. For me,
13:55:45 20 the top priority was always payroll and, you know, rent,
21 and things of that sort. But he would ultimately
22 dictate what would get paid.

23 Q And despite your begging and screaming, he
24 never once put it in a single e-mail?

13:55:55 25 A Put what in a single e-mail?

16:02:34 1 and you're sitting there.

2 Q You understand that's what's at stake in this
3 lawsuit, though?

4 A You just articulated it. Yes, I understand
16:02:41 5 what you just said.

6 MR. WALKER: Why don't we take a break.

7 MR. WIECHERT: Okay.

8 THE WITNESS: Okay.

9 THE VIDEOGRAPHER: We are going off the record
16:02:45 10 at 4:00 p.m.

11 (A recess was taken.)

12 THE VIDEOGRAPHER: We are back on the record at
13 4:12 p.m.

14 BY MR. WALKER:

16:14:48 15 Q Mr. Jam, was there any time after November 2011
16 that you became concerned about the incredible flow of
17 funds in and out of your accounts in the Swartz IP
18 account?

19 MR. WIECHERT: Vague and ambiguous.

16:15:01 20 THE WITNESS: I wasn't in charge of the Swartz
21 IP account, so I don't know what was going in and out of
22 the Swartz IP account. I wasn't a signer. I didn't
23 open the account. So I was unaware of the activity in
24 and out of the Swartz IP account that you refer to.

16:15:12 25 BY MR. WALKER:

16:15:12 1 Q Are you aware of the fact that it was roughly
2 90 days and almost the entirety of the \$17.7 million was
3 gone?

4 A No, I'm not.

16:15:22 5 Q And that all of that was sent to Swartz IP and
6 then washed through that company?

7 MR. WIECHERT: Objection. No foundation.

8 THE WITNESS: I don't know --

9 MR. WIECHERT: Argumentative.

16:15:30 10 THE WITNESS: Sorry.

11 I don't know that the money had gone in and
12 out. I'm not on those accounts. I don't know what
13 happened to those accounts. I don't monitor them. I
14 don't get statements. I'm not a signer.

16:15:40 15 BY MR. WALKER:

16 Q Do you agree with me that had you not signed
17 the note purchase agreement or the reference notes on
18 behalf of Swartz IP, that that \$17.7 million would never
19 have been transferred by my client to your company?

16:15:58 20 MR. WIECHERT: Calls for speculation. No
21 foundation. Also calls for a conclusion.

22 THE WITNESS: I don't know if they would have
23 transferred it in different ways. A different type of
24 document. But I -- I don't know what your client would
16:16:11 25 or wouldn't have done.

16:16:11 1 BY MR. WALKER:

2 Q Well, the note purchase agreement was the
3 vehicle by which the deposit of the \$17.7 million from
4 my client into the Swartz IP account was justified;
16:16:21 5 right?

6 MR. WIECHERT: "Justified" is vague and
7 ambiguous.

8 THE WITNESS: As I said, I don't know what your
9 client would have done if that document was not signed.

16:16:30 10 BY MR. WALKER:

11 Q Well, they certainly wouldn't have transferred
12 almost \$18 million to Swartz IP's account; right?

13 MR. WIECHERT: Motion -- well, strike the
14 motion. He actually asked the question at the end. So

16:16:41 15 it will be -- calls for speculation. No foundation.
16 And it calls for a conclusion.

17 THE WITNESS: Can you repeat the question,
18 please.

19 MR. WALKER: Go ahead and read it back.

16:16:49 20 (Whereupon, the record was read back
21 by the Court Reporter as follows:

22 "Q So isn't it true that it would
23 have -- that what would have been
24 transferred was \$18 million to Swartz
16:16:49 25 IP Services account; right?"

16:17:09 1 THE WITNESS: I don't know -- as I said, I
2 don't control Swartz IP account. You told me the money
3 went in and was out in 90 days. I -- I don't know
4 anything about that.

16:17:17 5 BY MR. WALKER:

6 Q Well, I guess my point is that the transaction
7 that you signed on behalf of Swartz IP was the vehicle
8 by which my client was induced to deposit almost
9 \$18 million into Swartz IP's account; right?

16:17:31 10 MR. WIECHERT: The question is vague and
11 ambiguous. Assumes facts not in evidence.

12 THE WITNESS: Okay.

13 BY MR. WALKER:

14 Q And your signing of the note purchase agreement
16:17:40 15 facilitated the entire following set of events and
16 consequences; right?

17 MR. WIECHERT: Same objections.

18 THE WITNESS: Okay.

19 BY MR. WALKER:

16:17:50 20 Q Do you agree with that?

21 A I don't know what your client did or didn't do
22 or how they did it, why they did it. I can't speak to
23 what your client did. But I'm assuming your client did
24 their own diligence. They're -- your -- your looked to
16:18:02 25 see who they were or were not getting into business with

16:18:04 1 and made a decision based on whatever their internal
2 criteria was. I don't know anything about your client.
3 I've never interacted with your client.

4 Q Why would you presume any of that in this
16:18:13 5 instance?

6 A Because that's what I would assume they would
7 have done. As I said, I don't know any of them. I have
8 not interacted with them. I don't...

9 Q And this is in connection with the transaction
16:18:24 10 involving a note purchase agreement that you didn't even
11 bother to read; correct?

12 MR. WIECHERT: The question's argumentative.
13 Asked and answered.

14 BY MR. WALKER:

16:18:32 15 Q Correct?

16 A Yes.

17 Q Did you ever send an e-mail to Mr. Bergstein
18 asking him to show some love to your Amex?

19 A A lot of times when the bill was late, I'd say,
16:18:41 20 Hey, man, what are we doing about this? I'd ask for
21 that. I'd ask for rent. I'd ask for payroll. There
22 was multiple e-mails to him to pay off his -- to pay off
23 the obligations. To pay the accounts payable.
24 Absolutely.

16:18:56 25 Q But recently we've heard that Mr. Bergstein